



state senator
Allen Paul

2006 LEGISLATIVE UPDATE

Indiana Senate
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Indianapolis, IN 46204

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Telecom Law Could Save Money on Cable Bills

While much of the discussion in this year's session centered on physical infrastructure like roads and bridges, the General Assembly made a historic change in its unseen infrastructure. Through reforms made in House Enrolled Act 1279, Indiana will see lower cable prices, increased competition and a wave of investment in the state.

Experts have called HEA 1279 the most aggressive telecommunications reform in the nation and say it will likely be a model that other states are sure to follow. The bill includes several provisions designed to give Hoosiers access to the best technology at a reasonable price. It contains two major provisions:

Statewide Video Franchising - Following the model used in Texas, HEA 1279 creates a streamlined process through which video providers (such as cable companies) can enter a market and compete for customers. Known as statewide video franchising, this process will result in more video competition and lower prices for consumers. Since September, when Texas statewide franchising went into effect, more 120 franchises have been granted to competing companies.

HEA 1279 will eliminate the current virtual monopoly of cable providers and give most Hoosiers a choice in video service. In February, Ball State University's Digital Policy Institute released a study saying Hoosiers could save a total of \$262 million on their cable bills annually as a result of new choices.

Telephone deregulation - A recent survey of CEOs in Site Selection Magazine showed that access to high-speed communications is the most important factor in drawing new business development to a particular state. HEA 1279 encourages telephone companies to deploy more high-speed Internet, called broadband, by gradually deregulating basic phone services if broadband is made available. Companies must be able to offer high speed Internet to 50 percent of households in any given exchange before they can raise rates in that exchange. Monthly basic rates may increase by only \$1 per year until 2009.

The new law also contains protection for low-income Hoosiers. HEA 1279 establishes the Indiana "Life Line" program that provides discounted telephone rates to Hoosiers below 150 percent of the federal poverty level. This is

a supplement to the federal program, which aids consumers with a household income below 135 percent of the federal poverty level. Consumers will also be protected through a ban on "local measured service," which is the practice of charging for local phone calls by the minute.

This legislation was a rare opportunity to create 20,000 new jobs and \$7 billion in investment in Indiana. And that is an opportunity that can't be passed up.



Senator Paul working with staff from the Senate Attorney's Office.



SENATOR ALLEN PAUL

serving district 27: Jay, Randolph, and Wayne counties

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Eminent Domain Law Protects Property Owners

The right to own property is fundamental to the American way of life. We are all familiar with the concept of "life, liberty, and the pursuit of happiness" set out in our Declaration of Independence. However, at the time the Declaration was issued, many Americans listed such basic God-given human rights as "life, liberty and property."

Last summer, the U.S. Supreme Court issued a ruling that threatens the right to own property. In *Kelo v. City of New London*, the court said that government may "take" private property for economic development. In other words, as then-Justice Sandra Day O'Connor wrote, "Nothing is to prevent the state from replacing any Motel 6 with a Ritz-Carlton, any home with a shopping mall, or any farm with a factory."

The Supreme Court, however, left a loophole, saying legislatures may further restrict the use of eminent domain. This year, the General Assembly did exactly that.

"Eminent domain can be used for a legitimate government purpose-but not simply to increase a local government's tax base."

This summer, Indiana created an Eminent Domain Study Committee to look at Indiana's property rights laws to see how they could be improved. Many of their conclusions are now in the form of House Enrolled Act 1010.

Perhaps most importantly, the new law requires the reason for using eminent domain be something that benefits the public. Thus, eminent domain can be used for a legitimate government purpose-but not simply to increase a local government's tax base.

The new law does several other things, including placing time restrictions on eminent domain so that property owners are not left in limbo for years at a time; requiring just compensation for Hoosier property owners; and mandating good-faith negotiations between the condemner and the property owner.

When used appropriately, eminent domain is an important tool that can help provide anything from roads to parks to schools for public use. HEA 1010 ensures that this tool is not abused at the expense of Hoosiers' right to own private property.

Supporting Prayer for Our State

I am proud to have co-authored Senate Resolution 3 which was adopted by the Senate. The resolution encourages clergy at the Statehouse to pray according to the dictates of their conscience and thus ensuring religious liberty. I was disappointed by the recent federal court ruling. Judge Hamilton's ruling specifically forbids the use of the name 'Jesus Christ', which places one religion over another. Our First Amendment rights protect this free speech. My Senate colleagues and I fully support the Speaker of the House in his efforts to take all legal measures to ensure that members of the clergy and others who lead any house of the General Assembly in prayer should be able to pray according to the dictates of their conscience.

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Or contact me at:
200 W. Washington St.
Indianapolis, IN 46204

(800) 382-9467
s27@in.gov

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Education Update:

The General Assembly decided not to move the ISTEP testing from the fall to the spring at this time. The Department of Education will research the issue and report to the Board of Education and the General Assembly before we decide what action to take.

Legislation I Authored
This Session

As Chairman of the Senate Insurance and Financial Institutions Committee, I deal with those issues often. Below are some of the bills I was proud to author and sponsored this session.

Senate Enrolled Act 384 - This act deals with financial institutions and makes clarifications concerning the Uniform Consumer Credit Code. This bill passed both Houses unanimously and has been signed by the governor.

House Enrolled Act 1392 - This legislation clarified language concerning school corporations pooling for insurance benefits. This bill also passed with little opposition, 50-0 in the Senate and 90-1 in the House.

Senate Enrolled Act 340 - I co-authored this bill which provides safeguards for state employees by giving them certain protection to their salary and PERF savings. This bill also passed unanimously.

Senate Enrolled Act 5 - I was proud to co-author this bill that established disorderly conduct at all funerals a Class D felony if the actions occur at a funeral home, the procession or at the grave site. This protects families from the hateful, disruptive and appalling protests, such as those we've seen in the past few months by a radical group protesting at the funerals of some of our fallen soldiers. This new law isn't only about veterans — every funeral is entitled to the sanctity of peace, dignity and respect. This bill also had wide support and was the first bill signed by the governor.

House Concurrent Resolution 22 - Of course, I was proud to co-sponsor this resolution to honor my hometown, Richmond, on its 200th anniversary.

Major Moves: Unanswered Questions

Why I Felt Uncomfortable Voting for 75-Year Lease of Our Indiana Toll Road

As you may know, I voted against House Bill 1008, the transportation proposal known as Major Moves.

This bill did pass and will allow the state to enter into a public-private partnership by leasing the northern Indiana toll road to a foreign company in exchange for \$3.85 billion. Proponents of the plan claim that it will create jobs and pay for all of our road funding needs. I, however, had concerns about the bill.

While some may disagree with me, I simply could not support this plan. I feel that I had too many unanswered questions and the deal was done too quickly. Leasing control of one of our major assets for 75 years is a big decision — and it needed more time.

I hope I am wrong, but I am worried this mistake could burden our future generations. This

foreign company will control Indiana's northern toll road until 2081. I feel that's just too long to lock Indiana into a deal that we are so unsure about.

My dislike of this bill partly stems from the rapid changes that have been made over the past year without careful study. Our area lost five license branches with little to no public input and it appears now that they are going to "localize" Richmond State Hospital.

I heard from a number of constituents. They, too, had very serious and legitimate concerns with this plan and overwhelmingly urged me to vote against it. I could not ignore their concerns.

I hope this plan does work as well for our state as some say it will. Had we been given more time to study this proposal and have our questions answered, it would have been much easier to support it. Unfortunately, that did not happen.

Stand Your Ground also removes Indiana's "duty to retreat" requirement. No longer will a Hoosier under attack have to turn their back and try to escape. Instead, victims may fight back if they believe it is necessary to prevent harm.

House Enrolled Act 1176 attempts to simplify the handgun licensing process. Currently, everyone with a handgun license must have their permit updated and be fingerprinted every four years - even people who have had such a license all of their adult life. This legislation would create lifetime licenses.

These small, sensible changes will be a great improvement of the current system and make the licensing procedure much more efficient. There is no reason to punish those law-abiding citizens who are simply exercising their Second Amendment rights.

“I heard from a number of constituents. They, too, had serious and legitimate concerns with this plan and overwhelmingly urged me to vote against it. I could not ignore their concerns.”

Standing Up for Our 2nd Amendment Rights

"The people shall have a right to bear arms, for the defense of themselves and the State." Article 1, Section 32 of the Indiana Constitution grants us the freedom to own firearms and store them in our homes.

I have always been a firm supporter of our Second Amendment rights, and was pleased to co-sponsor two bills were passed this session to protect law-abiding gun owners.

The "Stand Your Ground" law, House Enrolled Act 1028, aims to protect Hoosiers who are protecting themselves. The bill allows any person to use deadly force against an intruder to the person's home or vehicle. Current law says that the intruder must have intent to cause death or bodily harm, but I believe that when someone breaks into your private property, you do not have the time to determine their exact intent.



Senator Paul discussing a bill with Senators Luke Kenley (R-Noblesville) and Johnny Nugent (R-Lawrenceburg).

PROPERTY
TAX RELIEF:
\$100 MILLION IN
IMMEDIATE AID

As estimates for property tax increases this year came rolling in at the end of 2005, members of the General Assembly thought property taxpayers could use a break from expected increases. This year, HEA 1001 provides that relief by dedicating \$100 million to subsidize property tax bills.

This move could mean that homeowners could see no increase from their 2005 tax bills. Early estimates suggested hikes as high as 12 percent, but most experts thought increases would be around 5 percent. HEA 1001 will keep any increases reasonable, and may flatline many bills.

In addition to providing immediate property tax relief, HEA 1001 sets the stage for a long-term solution to high property tax bills. The new law states that 2010 property taxes must be capped at 2 percent of assessed value. In order to replace any revenue that could be lost as a result of this move, the General Assembly in future years will have to find a permanent way to replace property tax revenue.

The Senate voted in a bipartisan fashion this year to lower property tax revenue by 20 percent by increasing local income taxes, but that proposal ultimately did not become law.

Indiana's children are our state's most precious assets. Sadly, nearly 67 percent of all reported sexual assault crimes are committed against children. In fact, 34 percent of sexual assault victims are under age 12. One in seven is under age 6. Despite efforts to protect children, there are still sexual predators who continue to prey on their innocence. This session, several bills were filed in an effort to close loopholes and strengthen Indiana's child protection laws.

The only way to help prevent predators from striking twice is to ensure their whereabouts are known by law enforcement agencies. This year, the General Assembly created legislation that requires convicted sexual predators to wear a GPS monitoring device at all times. New legislation also specifies that a principal residence is the residence where the offender spends the most time. If the sex offender plans to spend more than 72 hours away from his/her principal residence, the individual must notify both the local law enforcement agency and that of the city or county of visitation with a complete itinerary, including a return date.

Also with this newly enacted legislation, any person at least 18 years old who is convicted of child molesting for a second time may be placed on lifetime parole once his or her prison term is complete



Senator Paul speaking on Senate Concurrent Resolution 29, which honored Dr. John Iverson of Earlham College for being named the 2005 Indiana Professor of the Year. From left to right: Tony Maidenbourg, Vice President of Independent Colleges; Hans Gieselke, President of Independent Colleges; Len Clark, Dean of Earlham College; Sheila Iverson; Dr. John Iverson; and Senator Paul.

HEA 1001 aids property taxpayers, but is also a pro-business law. The legislation phases in a single sales factor tax by 2011. This means payroll and property factors will no longer be used in figuring corporate taxes. With a single sales factor, businesses will no longer be penalized for owning property or having large payrolls in Indiana.

The out-of-state utility services tax will help Indiana utility companies compete with others by subjecting out-of-state utility companies to the same taxes as Indiana companies face.

In the end, HEA 1001 is a very positive move for Hoosier taxpayers and Hoosier businesses.

and any individual convicted of two child molesting crimes in another state whose parole is transferred to Indiana is also required to be placed on lifetime parole. Legislators have also been successful in preventing courts from granting petitions for adoption or legal guardianship to a sexually violent predator or someone who commits child molestation with specific provisions.

The Department of Corrections (DOC) has been given more authority over sex offenders by receiving control of the state sex offender registry. The DOC is now also required to register these offenders before being released from incarceration.

This legislation also prohibits a sexually violent predator from living within 1,000 feet of, or working at, any school, public park or program center; nor is a sexually violent predator permitted to live within one mile of the victim's residence.

Too often, sex offenders are released from prison, supposedly rehabilitated, only to repeat their crimes or commit worse offenses. Statistics show that sex offenders are four times more likely than non-sex offenders to be arrested for another sex crime after being discharged from prison. These initiatives can help provide protection for our most vulnerable Hoosiers — our children.

